

CITY OF REXBURG  
November 2016

**Employee benefits seminar**

# Introduce Agent(s)

- ▶ AJ Argyle
- ▶ Joyce Hansen

Archibald Insurance Center/Leavitt Group (356-4411)

- ▶ Health Care
  - ▶ Dental
  - ▶ Life Insurance
  - ▶ Accident (Employer Plan)
  - ▶ Other Voluntary Benefits
- 

# Benefits Summary

- ▶ Blue Cross Medical, Vision and Dental EE/ER paid
- ▶ HRA–NBS ER paid
- ▶ Section 125 EE paid
- ▶ Colonial Off The Job Accident Insurance ER paid
- ▶ Colonial or AFLAC Supplemental EE Paid
- ▶ UNUM Life Insurance ER paid/additional coverage EE paid
- ▶ UNUM Long Term Disability ER paid
- ▶ PERSI Life Insurance EE paid
- ▶ PERSI Retirement Benefit EE/ER paid
- ▶ American Funds 401K EE paid + ER 2% Matching

# Health insurance

- ❖ Remaining with Blue Cross of Idaho
  - ❑ Will not need to re-enroll, unless making changes to your plan in 2017
  - ❑ Most components of the plan will remain unchanged, with the exception of co-insurance, ER Visits and Teladoc
    - Summary of Benefits and Large Group PPO Summary on Web Portal

<http://rexburg.org/pages/employee-portal>

# Explanation of increase

## Health

### ▶ High Utilization

- 2013 76%
- 2014 71%
- 2015 94% (utilization of last quarter over 135%)
- 2016 101%

### ▶ Cost of health care has risen on average 10% nation wide

# Summary of health insurance renewal

- ▶ **Renewal rates for the same health option we currently have, came back with a 35% increase**
  - **Able to negotiate to 20% increase (had to reduce benefits)**

# Recommendations from Employee Committee approved by City Council

- ▶ **Increase ER Copay from \$100 to \$500**
  - Hope to reduce costs from ER visits that are not necessary
- ▶ **Increase Member Coinsurance**
  - 10% to 30% In-Network & 30% to 50% Out-of-network
  - Changes in Co-insurance or Deductible affect the least amount of members
    - **Percent reaching deductible**  
2014=11%    2015=15%    2016=11% thus far
- ▶ No change in the HRA contribution recommended
- ▶ Drop Nurse Line and **add Teladoc Service**
- ▶ Keep Vision Plan as is

# Co-insurance Example-Comparing 2016 to 2017 with bill of \$12,500

Year	<u>2016</u>	<u>2017</u>
Member Co-Insurance	10%	30%
Deductible	\$2,500	\$2,500
Co-Insurance Amount	\$1,000	* <del>\$3,000</del> <u>\$2,000</u>
Total Due by Individual	\$3,500	\$4,500
<b>New Plan Extra Cost</b>		<b>\$1,000</b>

\* Reached Individual Out-of-Pocket Limit

# Co-insurance Example-Comparing 2016 to 2017 with bill of \$22,500

Year	<u>2016</u>	<u>2017</u>
Member Co-Insurance	10%	30%
Deductible	\$2,500	\$2,500
Co-Insurance Amount	\$2,000	* <del>\$6,000</del> <u>\$2,000</u>
Total Due by Individual	\$4,500	\$4,500
<b>New Plan Extra Cost</b>		<b>\$0.00</b>

**New Plan increases cost for individuals w/bill totals between \$2,500 and \$22,500 (no impact after \$22,500)**

**\* Reached Individual Out-of-Pocket Limit**

# Important items of note

1. ER Visit Co-pay \$500
2. Co-Insurance
  1. 70% in-network paid by BC/30% by member
  2. 50% out of network paid by BC/50% by member
3. Teladoc



**TELADOC™**

- ▶ Talk to a doctor with no copay
- ▶ 24/7/365 medical care
- ▶ Teladoc.com
- ▶ 1-800-Teladoc (835-2362)
- ▶ Treat many medical conditions:
  - ▶ Cold and flu symptoms • Bronchitis • Allergies • Sinus Problems • Respiratory infection • And more!
- ▶ Watch for your Welcome Kit in your Mail.
  - Make sure to register

# HEALTH/DENTAL INSURANCE PREMIUMS

2017

DEDUCTIONS FROM PAYROLL CHECK EFFECTIVE 12/15/2016

## HEALTH

Position	Coverage	Amount per Pay Period	Amount per Month	Annual Amount	Percentage Increase	Monthly Increase	Annual Increase
<b>EMPLOYEE SHARE</b>							
Employee	Single	\$50.53	\$101.06	\$1,212.72	15.97%	\$13.92	\$167.04
Employee	Couple	\$97.14	\$194.28	\$2,331.36	15.66%	\$26.30	\$315.60
Employee	Employee/Child	\$68.78	\$137.56	\$1,650.72	13.80%	\$16.68	\$200.16
Employee	Employee/Children	\$95.19	\$190.38	\$2,284.56	15.31%	\$25.28	\$303.36
Employee	Family	\$127.87	\$255.74	\$3,068.88	16.58%	\$36.38	\$436.56
<b>EMPLOYER SHARE</b>							
Employer	Single	\$323.72	\$647.44	\$7,769.28	13.59%	\$77.46	\$929.52
Employer	Couple	\$622.43	\$1,244.86	\$14,938.32	13.29%	\$146.00	\$1,752.00
Employer	Employee/Child	\$440.72	\$881.44	\$10,577.28	11.47%	\$90.70	\$1,088.40
Employer	Employee/Children	\$609.94	\$1,219.88	\$14,638.56	12.95%	\$139.84	\$1,678.08
Employer	Family	\$819.33	\$1,638.66	\$19,663.92	14.19%	\$203.58	\$2,442.96

# Explanation of Dental Changes

- ▶ **Renewal rates for the same dental option we currently have, came back with a 2% increase**
  - Able to negotiate to a decrease of 8.39%
    - Agent reduced commissions 6.85%, saving the City over \$17,000

# Dental Insurance

- ▶ Remaining with same Blue Cross dental options
  - ▶ A 5% surcharge will be applied if you choose **Blue Cross PPO Dental option**
    - This allows you to choose from a much larger pool of providers in Southeast Idaho
  - ▶ The **Dental Blue Connect option** will be a lower premium
    - Only provides a few locations where you can obtain services, none of which are in Rexburg
    - One location in Idaho Falls, next closest Twin Falls
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# Dental Option 1

## ▶ Preferred Blue Dental PPO

- \$50/\$150 deductible
- Individual benefit period max. \$2,500
- Orthodontia– \$2,000 lifetime max–Eligible Dependent Children only
- Coinsurance (In–Network):
  - Preventative– You pay nothing
  - Basic– You pay 20% of the allowed amount
  - Major– You pay 50% of the allowed amount

## ▶ Same insurance card for dental and medical

# Dental Option 2

## ▶ Dental Blue Connect–Willamette

- No deductible or annual max.
  - \$15 copays/visit, even for preventative
  - Predetermined Copayments–See list
  - Adult Orthodontic Services Available
  - Once enrolled, cannot switch back until next December
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## DENTAL - Blue Cross PPO Option

Position	Coverage	Amount per Pay Period	Amount per Month	Annual Amount	Percentage Increase	Monthly Increase	Annual Increase
<b>EMPLOYEE SHARE</b>							
Employee	Single	\$3.98	\$7.96	\$95.52	-8.51%	-\$0.74	-\$8.88
Employee	Couple	\$7.95	\$15.90	\$190.80	-8.41%	-\$1.46	-\$17.52
Employee	Employee/Child	\$12.26	\$24.52	\$294.24	-8.37%	-\$2.24	-\$26.88
Employee	Employee/Children	\$12.26	\$24.52	\$294.24	-8.37%	-\$2.24	-\$26.88
Employee	Family	\$18.10	\$36.20	\$434.40	-8.35%	-\$3.30	-\$39.60
<b>EMPLOYER SHARE</b>							
Employer	Single	\$17.54	\$35.08	\$420.96	-8.41%	-\$3.22	-\$38.64
Employer	Couple	\$35.02	\$70.04	\$840.48	-8.40%	-\$6.42	-\$77.04
Employer	Employee/Child	\$53.99	\$107.98	\$1,295.76	-8.40%	-\$9.90	-\$118.80
Employer	Employee/Children	\$53.99	\$107.98	\$1,295.76	-8.40%	-\$9.90	-\$118.80
Employer	Family	\$79.71	\$159.42	\$1,913.04	-8.39%	-\$14.60	-\$175.20

## DENTAL - Dental Blue Connect-Willamette Option

Position	Coverage	Amount per Pay Period	Amount per Month	Annual Amount	Percentage Increase	Monthly Increase	Annual Increase
<b>EMPLOYEE SHARE</b>							
Employee	Single	\$2.53	\$5.06	\$60.72	-2.69%	-\$0.14	-\$1.68
Employee	Couple	\$5.05	\$10.10	\$121.20	-2.70%	-\$0.28	-\$3.36
Employee	Employee/Child	\$7.78	\$15.56	\$186.72	-2.87%	-\$0.46	-\$5.52
Employee	Employee/Children	\$7.78	\$15.56	\$186.72	-2.87%	-\$0.46	-\$5.52
Employee	Family	\$11.49	\$22.98	\$275.76	-2.79%	-\$0.66	-\$7.92
<b>EMPLOYER SHARE</b>							
Employer	Single	\$16.20	\$32.40	\$388.80	-2.88%	-\$0.96	-\$11.52
Employer	Couple	\$32.34	\$64.68	\$776.16	-2.80%	-\$1.86	-\$22.32
Employer	Employee/Child	\$49.85	\$99.70	\$1,196.40	-2.83%	-\$2.90	-\$34.80
Employer	Employee/Children	\$49.85	\$99.70	\$1,196.40	-2.83%	-\$2.90	-\$34.80
Employer	Family	\$73.63	\$147.26	\$1,767.12	-2.80%	-\$4.24	-\$50.88

# Employee Premiums Compared

Coverage	2016 Rate/Month	2017 Rate/Month	Increase Per Month	Percentage Of Total*
Single	\$ 95.84	\$ 109.01	\$ 13.17	13.8%
Couple	\$ 185.34	\$ 210.18	\$ 24.84	13.8%
Emp/Child	\$ 147.64	\$ 162.07	\$ 14.43	14.1%
Emp/Children	\$ 191.86	\$ 214.89	\$ 23.03	13.9%
Family	\$ 258.86	\$ 291.93	\$ 33.07	14.0%

\*2016 Family % of total was 14.1%

These Rates reflects if they choose the Blue Cross PPO Dental Plan

- ▶ 11.73%/ \$258,702 cost increase to city
- ▶ 12.87%/ \$45,466 cost increase to employees
- ▶ 11.89%/ \$304,168 total cost increase
- ▶ A decrease in the savings of \$40,000

# Total Premiums (Assumes PPO Dental)

## Total

Position	Coverage	Amount per Pay Period	Amount per Month	Annual Amount	Percentage Increase	Monthly Increase	Annual Increase
<b>EMPLOYEE/EMPLOYER SHARE</b>							
	Single	\$395.77	\$791.54	\$9,498.48	12.42%	\$87.42	\$1,049.04
	Couple	\$762.54	\$1,525.08	\$18,300.96	12.08%	\$164.42	\$1,973.04
	Employee/Child	\$575.75	\$1,151.50	\$13,818.00	9.02%	\$95.24	\$1,142.88
	Employee/Children	\$771.38	\$1,542.76	\$18,513.12	11.01%	\$152.98	\$1,835.76
	Family	\$1,045.01	\$2,090.02	\$25,080.24	11.89%	\$222.06	\$2,664.72

## Family Plan:

- ▶ Employee pays \$3,503.28/Year before tax savings
- ▶ City pays \$21,576.95
- ▶ **Total Cost \$ 25,080.24**

# Health/Dental insurance paperwork

**COMPLETE AND SIGN THE GROUP HEALTH  
INSURANCE ACCEPTANCE/WAIVER FORM**

# Helpful Information

- ▶ **Must register with an account at Blue Cross to use**
  - <https://www.bcidaho.com/>
  - Will require enrollee ID, Group Number, DOB
  - Must agree to terms and set up a profile
- ▶ **Process will take 10– 20 minutes to set up**

# 4<sup>th</sup> Quarter Safety Meeting

- ▶ **Discuss Safe Driving Topic**
  - **Winter Driving Tips**

# Health Reimbursement Account HRA

- ▶ Employer Tax-Free Money
- ▶ Qualified Medical Expenses *Expenses-NBS has a list of items that are eligible w/o Prescription and those requiring a prescription or LMN-They are found under the FSA*
- ▶ Carry-Over Balances
- ▶ \$1,700 or \$3,400 for EE and Spouse
- ▶ Wellness Form must be completed
- ▶ Administered by National Benefit Services NBS

# Section 125 Cafeteria Plan

- ▶ Three part benefit
  - Pre tax premium payments
  - Dependent Day Care
  - Flexible Spending

# Flexible Spending Account FSA

- ▶ Employee Pre-tax money
- ▶ Qualified Medical *Expenses*—NBS has a list of items that are eligible w/o Prescription and those requiring a prescription or LMN
- ▶ “Use it or Lose it”
- ▶ March 15 and June 15
- ▶ \$2,600 limit for 2017
- ▶ Must complete an Enrollment Form Annually
- ▶ Administered by National Benefit Services NBS

# 2017 Cafeteria Enrollment Form

## COMPLETE & SIGN 2017 CAFETERIA ENROLLMENT FORM

- ▶ *This must be done annually, even if you want the same elections as last year.*

# TPA National Benefits Services NBS

- ▶ Participant Portal:  
[www.participant.nbsbenefits.com](http://www.participant.nbsbenefits.com)
  - Click Register in top right corner
- ▶ Employee ID: SS# without dashes
- ▶ Employer ID: NBS174223
- ▶ Can also download the NBS Benefits Mobile App

# NBS TPA Admin. Costs (no changes)

FSA	\$37.80/YEAR
HRA	\$31.80/YEAR
DEBIT CARD FEE	\$18.00/YEAR
<u>TOTAL FEES*</u>	\$87.60/YEAR
EXTRA CARDS AFTER 2	\$5.00/CARD
*The annual fees are deducted from the FSA and/or the HRA in January of each year.	

# Spending the money

## ❖ DEBIT CARD

Keep receipts with tax information

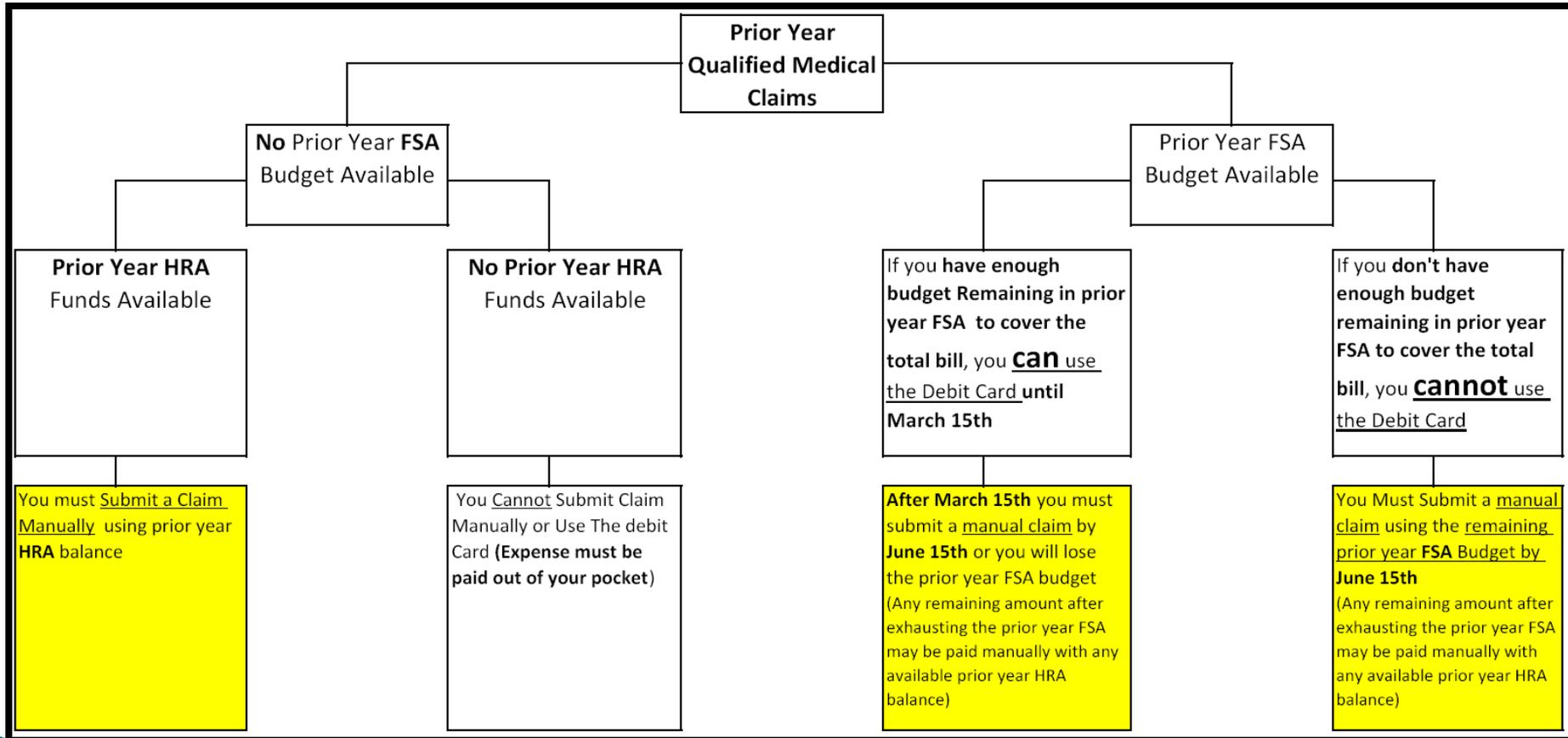
## ❖ PAPER CLAIMS

FSA or HRA on the City website at the Employee Portal  
(Employee Benefits, Links)

Submit after insurance has processed via:

- Fax
- Mail
- Email

# HOW THE MONEY FLOWS



See Employee Portal on [www.rexburg.org](http://www.rexburg.org) (Full-time Employee Benefits)

# How the money flows (CONT)

**THE LAW DOES NOT ALLOW THE USE OF CURRENT YEAR FSA OR HRA MONEY ON PRIOR YEAR CLAIMS.**

# Additional benefits

BENEFIT	CITY-PAID	EMPLOYEE-PAID
▪ PERSI (state retirement)	X	X
CHOICE 401-K		X
LIFE INSURANCE		X
▪ UNUM LIFE & DISABILITY INS	X	
▪ COLONIAL ACCIDENT INS	X	
▪ AFLAC INSURANCE		X
▪ BLUE CROSS HEALTH INS	X	X
▪ BLUE CROSS DENTAL INS	X	X
▪ AMERICAN FUNDS 401-K	X	X
▪ SOCIAL SECURITY/MEDICARE	X	X
▪ WORKERS COMPENSATION INSURANCE	X	

# Employee Portal & Benefits Summaries

## ▶ Employee Portal

<http://rexburg.org/admin/employee-portal>

## ▶ Retirement

- 3 Legged Approach to Retirement Planning

## ▶ Employee Benefits

- 2017 Benefits Summary
- Recreation Benefits Summary
- Voluntary Benefits Section
  - Will hold a separate training meeting for voluntary (employee paid) benefits in next few weeks

# Enrollment deadlines

- ❖ Health and Dental 12/9/16
- ❖ Cafeteria election deadline 12/1/16
- ❖ Wellness Exam Deadline Dec 31<sup>st</sup>
  - November 30<sup>th</sup> if you need the money available by January 1, 2017.

# Workers Compensation

- ▶ FMLA
- ▶ Sick Time

# The End

- ❖ Please set up chairs for planning and zoning meeting on Thursday Night after training